



08025655

Processing
SectionUNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549OMB APPROVAL
OMB Number: 3235-0123
Expires: February 28, 2010
Estimated average burden
hours per response..... 12.00

FEB 14 2008

ANNUAL AUDITED REPORT

FORM X-17A-5

PART III

Washington, DC
101

SEC FILE NUMBER

8-36594

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 ThereunderREPORT FOR THE PERIOD BEGINNING 01/01/07 AND ENDING 12/31/07
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Larimer Capital Corporation

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

1720 South Bellaire Street, Suite 1110

(No. and Street)

Denver

CO

80222

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Adam M. Carmel

(303) 573-5511

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Spicer Jeffries LLP

(Name - if individual, state last, first, middle name)

5251 S. Quebec Street, Suite 200

Greenwood Village

CO

80111

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in United States or any of its possessions.

PROCESSED

MAR 04 2008

THOMSON
FINANCIAL

FOR OFFICIAL USE ONLY

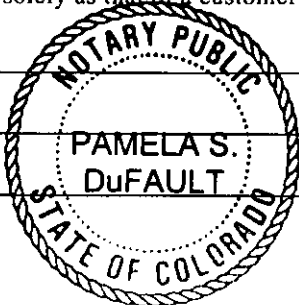
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of
information contained in this form are not required to respond
unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, Adam M. Carmel, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Larimer Capital Corporation, as of December 31, 2007, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



My Commission Expires 7-28-08

Pamela S. DuFault
Notary Public

Adam M. Carmel
Signature

President
Title

This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity of Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital (including reconciliation of X-17A-5 Part II filing with this Rule 17a-5(d) report, if applicable).
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- ☒ (o) Independent Auditors' Report on Internal Accounting Control.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

LARIMER CAPITAL CORPORATION

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	3
Statements of Financial Condition	4
Statements of Operations	5
Statements of Changes in Stockholder's Equity	6
Statements of Cash Flows	7
Notes to Financial Statements	8 – 12
Supplementary Schedule:	
Computation of Net Capital Pursuant to Uniform Net Capital Rule 15c3-1 included in the Company's Corresponding Unaudited Form X-17a-5 Part II	13
Independent Auditors' Report on Internal Accounting Control Required by SEC Rule 17a-5	14 – 15



SPICER JEFFRIES LLP

CERTIFIED PUBLIC ACCOUNTANTS

5251 SOUTH QUEBEC STREET • SUITE 200

GREENWOOD VILLAGE, COLORADO 80111

TELEPHONE: (303) 753-1959

FAX: (303) 753-0338

www.spicerjeffries.com

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders of
Larimer Capital Corporation

We have audited the accompanying statements of financial condition of Larimer Capital Corporation as of December 31, 2007 and 2006, and the related statements of operations, changes in stockholder's equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Larimer Capital Corporation as of December 31, 2007 and 2006, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The information contained in the supplemental schedule listed in the accompanying index is presented for purposes of additional analysis and is not required for a fair presentation of the financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Spicer Jeffries LLP

Greenwood Village, Colorado
January 23, 2008

msi Legal & Accounting
Network Worldwide

Spicer Jeffries is a member of MSI, a network of independent professional firms.

LARIMER CAPITAL CORPORATION

STATEMENTS OF FINANCIAL CONDITION DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 153,641	\$ 156,444
Commissions receivable	14,875	9,232
Prepaid expenses	14,059	11,856
Furniture and equipment, net of accumulated depreciation of \$87,466 and \$70,059, respectively	17,057	24,615
Deposit with clearing broker	50,000	50,000
Other assets	<u>4,725</u>	<u>4,725</u>
<i>Total assets</i>	<u>\$ 254,357</u>	<u>\$ 256,872</u>
<u>LIABILITIES AND STOCKHOLDER'S EQUITY</u>		
LIABILITIES:		
Commissions payable and accrued liabilities	\$ 5,589	\$ 2,084
Accrued pension contribution (Note 4)	<u>17,261</u>	<u>64,950</u>
<i>Total liabilities</i>	<u>22,850</u>	<u>67,034</u>
COMMITMENTS AND CONTINGENCIES (Notes 3, 4 and 5)		
STOCKHOLDER'S EQUITY (Note 2):		
Common stock, no par value; 50,000 shares authorized; one share issued and outstanding	89,000	89,000
Retained earnings	<u>142,507</u>	<u>100,838</u>
<i>Total stockholder's equity</i>	<u>231,507</u>	<u>189,838</u>
<i>Total liabilities and stockholder's equity</i>	<u>\$ 254,357</u>	<u>\$ 256,872</u>

The accompanying notes are an integral part of these statements.

LARIMER CAPITAL CORPORATION

STATEMENTS OF OPERATIONS

YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
REVENUES:		
Securities commissions	\$ 333,761	\$ 318,939
Insurance commissions	338,987	190,032
Fee income	229,115	147,068
Other income	<u>38,454</u>	<u>3,755</u>
<i>Total revenues</i>	<u>940,317</u>	<u>659,794</u>
EXPENSES:		
Commissions	281,050	120,796
Officer's salary and benefits	157,165	166,129
Retirement plan contributions (Note 4)	102,261	99,950
Office salaries	93,753	101,601
Clearing costs	92,345	68,183
Travel and entertainment	25,081	29,018
Occupancy costs	71,756	44,655
General and administrative	16,794	18,141
Professional fees	13,171	17,938
Automobile costs	9,675	14,073
Payroll taxes	16,145	11,929
Communications	10,366	11,460
Regulatory fees	<u>9,086</u>	<u>15,047</u>
<i>Total expenses</i>	<u>898,648</u>	<u>718,920</u>
NET INCOME (LOSS)	<u>\$ 41,669</u>	<u>\$ (59,126)</u>

The accompanying notes are an integral part of these statements.

LARIMER CAPITAL CORPORATION

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY
YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>Common Stock</u> <u>Shares</u>	<u>Amount</u>	<u>Retained</u> <u>Earnings</u>
BALANCES, December 31, 2005	1	\$ 53,000	\$ 159,964
Contribution from stockholder	-	36,000	-
Net loss	<u>-</u>	<u>-</u>	<u>(59,126)</u>
BALANCES, December 31, 2006	1	89,000	100,838
Net income	<u>-</u>	<u>-</u>	<u>41,669</u>
BALANCES, December 31, 2007	<u>1</u>	<u>\$ 89,000</u>	<u>\$ 142,507</u>

The accompanying notes are an integral part of these statements.

LARIMER CAPITAL CORPORATION

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ 41,669	\$ (59,126)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation	17,407	12,663
(Increase) decrease in commissions receivable	(5,643)	29,482
(Increase) in prepaid expenses	(2,203)	(175)
Increase in other assets	-	(3,497)
Increase (decrease) in commissions payable and accrued liabilities	3,505	(13,820)
(Decrease) increase in accrued pension contribution	<u>(47,689)</u>	<u>8,211</u>
<i>Net cash provided by (used in) operating activities</i>	<u>7,046</u>	<u>(26,262)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of furniture and equipment	<u>(9,849)</u>	<u>(13,010)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contribution from stockholder	<u>-</u>	<u>36,000</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,803)	(3,272)
CASH AND CASH EQUIVALENTS, at beginning of year	<u>156,444</u>	<u>159,716</u>
CASH AND CASH EQUIVALENTS, at end of year	<u>\$ 153,641</u>	<u>\$ 156,444</u>

The accompanying notes are an integral part of these statements.

LARIMER CAPITAL CORPORATION

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and business

Larimer Capital Corporation (the "Company") is registered as a broker-dealer with the Securities Exchange Commission, with its principal activities consisting of financial consulting as a registered investment advisor, traditional securities business and sales of life and disability insurance policies.

Basis of accounting

Revenues, related expenses, commissions receivable and payable are recorded on a trade-date basis, which is the date a transaction is executed. Investment advisory and management fees are recognized over the term of the contract. Consulting fees are recognized as services are performed.

Commissions receivable are typically received in full shortly after the receivable is recorded and management has determined that no allowance for uncollectible amounts is necessary. The Company historically has not experienced losses from uncollectible accounts.

Clearing Deposit

Deposits include \$50,000 deposited with RBC Dain Rauscher, Inc. ("RBC") to offset certain risks assumed by RBC related to clearing and settling securities and cash transactions on behalf of the Company's customers.

Furniture and Equipment

Furniture and equipment is stated at cost. Depreciation is provided utilizing straight-line and accelerated methods over the estimated useful lives for owned assets, ranging from 3 to 5 years.

Agreement with clearing broker

The Company, under Rule 15c3-3(k)(2)(ii), is exempt from the reserve and possession or control requirements of Rule 15c3-3 of the Securities and Exchange Commission. The Company does not carry or clear customer accounts. Accordingly, all customer transactions are executed and cleared on behalf of the Company by its clearing broker on a fully disclosed basis. The Company's agreement with its clearing broker provides that as clearing broker, that firm will make and keep such records of the transactions effected and cleared in the customer accounts as are customarily made and kept by a clearing broker pursuant to the requirements of Rules 17a-3 and 17a-4 of the Securities and Exchange Act of 1934 (the "Act"). It also performs all services customarily incident thereto, including the preparation and distribution of customers' confirmations and statements and maintenance margin requirements under the Act and the rules of the Self Regulatory Organizations of which the Company is a member.

LARIMER CAPITAL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income taxes

The Company has elected to be treated as an S-corporation for income tax purposes. Accordingly, taxable income and losses of the Company are reported on the income tax return of the Company's stockholder and no provision for income taxes has been recorded in the accompanying financial statements.

NOTE 2 - NET CAPITAL REQUIREMENTS

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined under such provisions. At December 31, 2007, the Company had net capital and net capital requirements of \$195,666 and \$50,000, respectively. The Company's net capital ratio (aggregate indebtedness to net capital) was 0.12 to 1. According to Rule 15c3-1, the Company's net capital ratio shall not exceed 15 to 1.

LARIMER CAPITAL CORPORATION

NOTES TO FINANCIAL STATEMENTS

(continued)

NOTE 3- OPERATING LEASES

The Company has a noncancelable operating lease for office space which expires in July 2012. In addition, the Company has entered into a noncancelable operating lease for an automobile used by the stockholder. The lease agreement expires in July 2009.

Future minimum lease payments are as follows:

<u>Year Ending December 31,</u>	
2008	\$ 57,237
2009	55,843
2010	54,450
2011	55,950
2012	28,350
	<u>\$ 251,830</u>

Rental expense for all operating leases was \$59,452 and \$34,332 for the years ended December 31, 2007 and 2006 respectively.

NOTE 4- EMPLOYEE BENEFIT PLANS

The Company's employees are covered by a defined benefit plan (the "Plan"). Retirement benefits are based on years of service and the average employee's compensation. All employees age 21 and older who have completed one year and 1,000 hours of service are eligible to participate in the Plan. Participating employees become vested in the Plan after five years of participation.

The Company makes contributions based on actuarial assumptions made by their Plan administrator, subject to limits set forth by the Internal Revenue Service. Contributions are intended to provide for benefits attributed to service provided to the Company to date.

The Plan's assets are administered by an outside party, but managed by the Company's sole stockholder and participant.

LARIMER CAPITAL CORPORATION
NOTES TO FINANCIAL STATEMENTS
(continued)

NOTE 4- EMPLOYEE BENEFIT PLANS (continued)

The following table sets forth the Plan's funded status and amount recognized:

	December 31,	
	2007	2006
Total plan assets	\$ 373,782	\$ 315,771
Fair value of Plan assets at end of year	<u>356,521</u>	<u>250,821</u>
Funded status	<u>\$ (17,261)</u>	<u>\$ (64,950)</u>
Employer contributions	<u>\$ 102,261</u>	<u>\$ 99,950</u>
Present value of the total plan accrued benefits	<u>\$ 380,554</u>	<u>\$ 268,192</u>

Assumptions used in the accounting for the defined benefit plan were:

	December 31,	
	2007	2006
Assumed discount rate	5%	5%
Rate of compensation increase	0%	0%
Expected long-term rate of return	6%	6%

The Company's benefit plan asset allocations by asset category are as follows:

	December 31,	
	2007	2006
Cash and money market	42%	31%
Fixed income securities	36%	49%
Real estate investment	<u>22%</u>	<u>20%</u>
	<u>100%</u>	<u>100%</u>

LARIMER CAPITAL CORPORATION

NOTES TO FINANCIAL STATEMENTS

(continued)

NOTE 5 - FINANCIAL INSTRUMENTS, OFF-BALANCE SHEET RISK AND CONTINGENCIES

The Company is in business as a securities broker-dealer registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority. In the normal course of business, the Company's activities through its clearing broker involve the execution, settlement and financing of various securities transactions. These activities may expose the Company to off-balance sheet risk. In the event a customer fails to satisfy its obligations, the Company may be required to purchase or sell financial instruments at prevailing market prices in order to fulfill the customer's obligations.

The Company bears the risk of financial failure by its clearing broker. If the clearing broker should cease doing business, the Company's receivable from this clearing broker could be subject to forfeiture. In addition, the Company has deposits in banks of \$53,641 in excess of the FDIC insured amount of \$100,000. The amounts in excess of \$100,000 are subject to loss, should the bank cease business.

The Company's financial instruments, including cash and cash equivalents, receivables, prepaid expenses, payables and other liabilities are carried at amounts that approximate fair value due to the short-term nature of those instruments.

SUPPLEMENTARY INFORMATION

LARIMER CAPITAL CORPORATION

COMPUTATION OF NET CAPITAL
PURSUANT TO UNIFORM NET CAPITAL RULE 15c3-1
DECEMBER 31, 2007

CREDIT:

Stockholder's equity	\$	<u>231,507</u>
----------------------	----	----------------

DEBITS:

Nonallowable assets:		
Furniture and equipment, net		17,057
Prepaid expenses		14,059
Other assets		<u>4,725</u>

<i>Total debits</i>		<u>35,841</u>
---------------------	--	---------------

NET CAPITAL		195,666
-------------	--	---------

Minimum requirements of 6-2/3% of aggregate indebtedness of \$22,850 or \$50,000, whichever is greater		<u>50,000</u>
---	--	---------------

<i>Excess net capital</i>	\$	<u><u>145,666</u></u>
---------------------------	----	-----------------------

AGGREGATE INDEBTEDNESS:

Commissions payable and accrued liabilities	\$	5,589
Accrued pension contribution		<u>17,261</u>

TOTAL AGGREGATE INDEBTEDNESS	\$	<u><u>22,850</u></u>
------------------------------	----	----------------------

RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL		<u><u>0.12 to 1</u></u>
--	--	-------------------------

NOTE: There are no material differences between the above computation of net capital and the corresponding computation as submitted by the Company with the unaudited Form X-17A-5 as of December 31, 2007.



SPICER JEFFRIES LLP

CERTIFIED PUBLIC ACCOUNTANTS

5251 SOUTH QUEBEC STREET • SUITE 200

GREENWOOD VILLAGE, COLORADO 80111

TELEPHONE: (303) 753-1959

FAX: (303) 753-0338

www.spicerjeffries.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL ACCOUNTING CONTROL REQUIRED BY SEC RULE 17a-5

The Board of Directors and Stockholders of
Larimer Capital Corporation

In planning and performing our audit of the financial statements and supplementary information of Larimer Capital Corporation for the year ended December 31, 2007, we considered its internal control structure, including procedures for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission ("SEC"), we have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by Larimer Capital Corporation that we considered relevant to the objectives stated in Rule 17a-5(g), (i) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and the procedures for determining compliance with the exemptive provisions of Rule 15c3-3; and (ii) for safeguarding the occasional receipt of securities and cash until promptly transmitted to the Company's clearing brokers. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13 or complying with the requirements for prompt payment for securities under section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining an internal control structure and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control structure or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate. This report recognizes that it is not practicable in an organization the size of Larimer Capital Corporation to achieve all the divisions of duties and cross-checks generally included in a system of internal accounting control and that alternatively greater reliance must be placed on surveillance by management.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure, including procedures for safeguarding securities that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2007, to meet the SEC's objectives.

In addition, our review indicated that Larimer Capital Corporation was in compliance with the conditions of exemption from Rule 15c3-3 pursuant to paragraph k(2)(ii) as of December 31, 2007, and no facts came to our attention to indicate that such conditions had not been complied with during the year.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the Financial Investment Regulatory Authority, Inc., and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



Greenwood Village, Colorado
January 23, 2008

END